

**MINUTES OF A REGULAR MEETING OF THE DEVELOPMENT AUTHORITY OF PEARLAND, CITY OF PEARLAND TEXAS, HELD ON MONDAY, OCTOBER 10, 2016, 5:00 P.M., IN THE FIRST FLOOR CONFERENCE ROOM AT PEARLAND CITY HALL, 3519 LIBERTY DRIVE, PEARLAND, TEXAS.**

Chairman Reid called the meeting to order at 5:00 p.m. with the following present:

Chairman	Tom Reid
Secretary	Ed Baker
Boardmember	Tony Carbone
Boardmember	Bill Sloan
Boardmember	Tom Pool

Others in attendance: Clay Pearson City Manager; Cynthia Pearson City Finance Director; Rick Overgaard Assistant Finance Director; Maria E. Rodriguez Deputy City Secretary; Lynne Humphries Allen Boone Humphries and Robinson LLP; John Robuck BOSC, Inc.; Rick Witte Andrews Kurth LLP; Gary Cook Shadow Creek Ranch Development Company Ltd; Drew Pelter Shadow Creek Ranch Development Company Ltd.

**NEW BUSINESS:**

**Board Action** – Approval of the Development Authority of Pearland Board of Directors Meeting Minutes for September 26, 2016, Special Meeting held at 4:00 P.M.

Boardmember Pool made the motion, seconded by Boardmember Carbone to approve the Meeting Minutes for September 26, 2016, Special Meeting held at 4:00 P.M.

Voting “Aye” Boardmembers Reid, Baker, Carbone, Sloan, and Pool.

Voting “No” None.

Motion Passed 5 to 0.

**Board Action – RDAP No. 2016-07** – A Resolution Authorizing the Issuance of \$11,910,000 Development Authority of Pearland Tax Increment Contract Revenue Bonds, Series 2016, Approving Documents Related to the Bonds, and Containing Other Provisions Related Thereto.

Boardmember Carbone made the motion, seconded by Boardmember Baker to approve RDAP No. 2016-07.

Boardmember Carbone amended the motion seconded by Boardmember Baker to change the amount to of issuance from \$11,910.000 to reflect the correct amount to \$12,320.000 Tax Increment Contract Revenue Bonds, Series 2016.

John Robuck BOSC, Inc. stated a term sheet and a bid sheet was sent out to 27 banks on September 22, 2016, asking for bids due October 7, 2016. Two (2) bids have been received one from Regions Capitol Advantage in the amount of 2.22 percent at a fixed rate bond sale callable after 10 years with no reserve fund requirement on these bonds.

Mr. Robuck BOSC, Inc., stated the principal amount of the Bonds is \$12,320,000 less expenses \$190,900 bringing a total proceeds for developer reimbursement \$12,129,100 all cost Interest Rate

with cost of issuance is at 2.460 percent. The Bonds are closing on November 15, 2016, at which time the Development Authority of Pearland will receive the funds and make the payment to the Developer for reimbursements.

Rick Witte, Andrews Kurth LLP, stated the primary document is the bond resolution that authorizes everything the Development Authority of Pearland needs to do with regards to the financing, along with certificates required by the Attorney General's Office, and is available to answer any questions.

Discussion ensued between the Board, John Robuck BOSC, and Rick Witte Andrews Kurth LLP, regarding the fees and rates.

Chairman Reid called for the vote on the amended motion.

Voting "Aye" Boardmembers Reid, Baker, Carbone, Sloan, and Pool.

Voting "No" None.

Motion Passed 5 to 0.

Chairman Reid called for the vote on the original motion as amended.

Voting "Aye" Boardmembers Reid, Baker, Carbone, Sloan, and Pool.

Voting "No" None.

Motion Passed 5 to 0.

**Board Action – RDAP No. 2016-08 – A Resolution Authorizing a Developer Reimbursement to Shadow Creek Ranch Development Company LTD to Reimburse for TIRZ Infrastructure Improvements in the amount of \$11,722,500.**

Boardmember Sloan made the motion, seconded by Boardmember Carbone to approve RDAP No. 2016-08.

Boardmember Carbone amended the motion, seconded by Boardmember Sloan to reimburse for TIRZ Infrastructure Improvements in the amount of \$12,129,100.

Chairman Reid called for the vote on the amended motion.

Voting "Aye" Boardmembers Reid, Baker, Carbone, Sloan, and Pool.

Voting "No" None.

Motion Passed 5 to 0.

Cynthia Pearson Finance Director stated staffs initial recommendation to the Board was \$11,910,000 to a result in proceeds of \$11,722,000. The actual recommendation amount is \$12,320,000 with a result of the actual payout to the developer in the amount \$12,129.100.

Chairman Reid called for the vote on the original motion as amended.

Voting "Aye" Boardmembers Reid, Baker, Carbone, Sloan, and Pool.

Voting "No" None.

Motion Passed 5 to 0.

**Board Action – RDAP No. 2016-09** – A Resolution of the Development Authority of Pearland Authorizing a Cash Developer Reimbursement to Shadow Creek Ranch Development Company LTD to Reimburse for TIRZ Infrastructure Improvements in the Amount of \$5,625,000, plus the amount received from TEA for 2015 supplemental taxes, which is anticipated to be \$1,646,305.

Boardmember Baker made the motion, seconded by Boardmember Carbone to approve RDAP No. 2016-09.

Cynthia Pearson Finance Director stated these funds are released from Alvin Independent School District the suspense funds. These monies are used as cash reimbursement to the Developer. In addition, a deposit has been received from TEA in the amount of \$1,646,305. At this time staff is requesting the Board to allow for reimbursement of those funds.

Discussion ensued between the Board and John Robuck BOSC, regarding the \$1 million reserve and concluded that it is a wise choice to have at this time.

Boardmember Carbone asked why the \$7.2 million funds are being held and not being released right now. Boardmember Carbone stated if the cash is available, he prefers to pay these funds now to save on interest.

Discussion ensued between the Board, Cynthia Pearson Finance Director, and John Robuck BOSC, and it was agreed to make the \$7.2 million fund payment at this time.

Voting "Aye" Boardmembers Reid, Baker, Carbone, Sloan, and Pool.

Voting "No" None.

Motion Passed 5 to 0.

## ADJOURNMENT

Meeting was adjourned at 5:45 p.m.

Minutes approved as submitted and/or corrected this the 30<sup>th</sup> day of October A.D., 2017.



TOM REID  
CHAIRMAN

ATTEST:



ED BAKER  
SECRETARY